



**Trillion Partners, Inc.
9208 Waterford Centre Blvd., Suite 150
Austin, Texas 78758**

August 31, 2010

Sasha Lindsay
Program Integrity Assurance
USAC, Schools and Libraries Division
Phone: 973-581-5181
E-mail: slindsa@sl.universalservice.org

Delivered via E-Mail

Federal Communications Commission
Attention: Gina Spade, Deputy Division Chief
Telecommunications Access Policy Division
445 12th Street SW
Washington, DC 20554

Delivered via Electronic Comments Filing System

RE: Response to USAC and Appeal to FCC: Bristol Borough School District letter dated August 25, 2010

Dear Ms. Lindsay and Ms. Spade,

On behalf of the Board, investors and management team of Trillion Partners, Inc., please accept this response to the Intent to Deny Letter from USAC to Bristol Borough School District dated August 25, 2010. Additionally, please accept this letter as a simultaneous appeal to the FCC, requesting that all of the applications as referenced in such letter be approved for funding.

Due to the magnitude of the proposed denial and the substantial delay in the issuance of USAC's currently proposed intent to deny, Trillion and all of its affected customers are under a severe hardship and request expedited resolution of this matter.

During a phone conference on June 9, 2010, Mr. Scott Barash indicated that our comments would be accepted and included as part of USAC's review of the application. This must in no way be considered a delay in the FCC's immediate consideration of this urgent appeal.

Background

Bristol Borough awarded a contract for VoIP services in February of 2009. The services were to deliver a VoIP service to two school locations. This network is not currently built due to the lengthy delay in funding decision and now the denial letter received by Bristol Borough School District.

Response to Questions

Date: August 25, 2010

Paul Hetherington
Bristol Boro School District
(215) 7811012

Application Number(s) 687656 and 754050

Based on the documentation that has been provided to USAC, the entire applications listed above will be denied because Bristol Boro School District did not conduct a fair and open competitive bidding process. The Form 470 associated with all the applications listed above was posted on 01/09/2009 with an Allowable Contract Date of 02/06/2009. The documentation indicates that you engaged in numerous meetings, e-mail discussions, and verbal discussions with Trillion employees beginning in March 2008 through the award of the 5 year contract to Trillion in 02/12/2009. These discussions were not general marketing discussions, but rather show that you provided Trillion with inside information regarding your needs and details about their procurement process, that Trillion influenced the procurement process by providing input into your Request for Proposal (RFP) and FCC Form 470 to ensure that Trillion would be awarded the contract, and that before the bids were even submitted and the selection made, you signaled that they would award the contract to Trillion.

Trillion is very concerned by the stance USAC has taken in regards to this denial of funding. USAC is denying funding without the facts supporting USAC's argument and have come to this conclusion by not following its own guidance, rules and training.


These discussions included, among other things, the following:

- Discussion of possible VOIP options Trillion can offer

As outlined in the letter dated June 17, 2010 from Trillion to Scott Barash, USAC has failed to follow their own guidance, rules and training. USAC's materials allow for a potential service provider to have general marketing discussions with an applicant. As a matter of fact, USAC's own materials outline the following:

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DO's

- Provide information to applicants about products or services – including demonstrations – before the applicant posts the Form 470
 - You can provide information on your available products and services before applicants file a Form 470
 - Once the Form 470 has been filed, you are limited to the role of bidder

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www.usac.org

Source: USAC - Service Provider DO's and DON'Ts - Mel Blackwell and John Noran - Service Provider Training Schools and Libraries Division - April 18, 2007 – Atlanta • April 25, 2007 – Chicago




Training for Applicants

- You can provide information to applicants about products or services – including demonstrations – before the applicant posts the Form 470
- Once the Form 470 has been filed, you are limited to the role of bidder

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Source: USAC - What To Do and How To Do It - Mel Blackwell and John Noran - Service Provider Training Schools and Libraries Division - May 8, 2008 – Miami • May 14, 2008 – Salt Lake City



Pre-bidding Discussions


- Applicants may:
 - Discuss their product offering with SPs
 - Learn about new technologies from SPs
- Applicants may **NOT** accept/use the following from service providers:
 - Vendor-specific language for RFP or the 470
 - Template RFPs or Forms 470
 - Assistance with tech plan
 - Assistance with RFP

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Pre-bidding Discussions

- Service providers may:
 - Discuss their product offering with applicants
 - Educate applicants about new technologies
- Service providers may **NOT**:
 - Offer/provide vendor-specific language for RFP or the Form 470
 - Provide template RFPs or Forms 470
 - Offer/provide assistance with Tech Plan
 - Offer/provide assistance with RFP

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Source: USAC - Program Compliance for Service Providers - Catriona Ayer - Schools and Libraries Division - May 4, 2010 – Los Angeles • May 11, 2010 – Tampa

As outlined in the same letter to Scott Barash, product offering information includes but is not limited to, attributes (features, functions, benefits, and uses) capable of exchange or use; usually a mix of tangible and intangible forms including the terms and conditions (price, quantity, delivery date, shipping costs, guarantee, etc.) under which a product or service is presented to potential customers.

A service provider can discuss with a potential applicant its product offering with that applicant. “Discussing VoIP options” is just that.

- Discussion of Trillion getting a proposal out to you

The Trillion salesperson mentions in an e-mail providing a proposal, however no proposal was ever sent to Bristol Borough until after their Form 470 was filed. The use of the word proposal was inadvertent and not supported by the documentation provided.

- Documentation showing that Trillion provided couple of “Preliminary Design and Good Faith Estimates”

Also per the same letter to Scott Barash, a service provider can provide a budgetary estimate. Trillion did provide a budgetary estimate in August of 2008 (See attached). This estimate included the following language:

“It is our understanding that your district is not seeking a formal proposal and that you are requesting this information purely as a tool to assist you with your budget planning efforts. We expect that your district is seeking similar information from other service providers as well. Since this is only a preliminary design and estimated pricing, the enclosed documentation is not a binding offer, is not a detailed, formal proposal, and is not a response to any request for

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proposals. It is our policy to wait to provide our formal, detailed proposal to governmental entities such as school districts until the appropriate time in the competitive bidding process.

We would be happy to provide you with a formal Trillion proposal and Services Agreement once your district has commenced its competitive bidding process.”

A budgetary estimate is not a formal proposal as is clearly identified by this wording. Also, it is standard industry practice to provide product quotations to potential customers. In the normal course of business, school districts across the country ask for budgetary information and service providers routinely respond to these requests. Sometimes a price quotation is in the form of a tariff and other times in the form of a budgetary estimate, all of which are well within the definition of “product offering information.”

- An email from Lisa Edwards (Trillion representative) informing you to file 470s for WAN and VOIP pretty quickly so they are not caught in a time crunch

The actual e-mail is as follows:

“Paul, I’m hoping that you’re just swamped right now and simply haven’t had a chance to get back to me!

I cannot remember if I’ve already said this but I feel we really delayed on you in getting back the WAN numbers. And the clear reason is that Bristol Boroughs is a new type of business model for us. You are a smaller school district. You are in a new state for us. So it took us some time adapt the numbers and processes.

I hope you know the commitment is there and that we all continued to move this through at the highest levels because we want to do business with Bristol Boroughs.

Couple of logistical items assuming you’re still interested:

- 1) There is a ShoreTel demo next week at Haverford School District. David Jolly will be there and I am hoping you can come and see the platform and talk specifics with David 1-on-1. We are having to possibly move the date out next week but I’ll update you as soon as I know.*
- 2) The E-Rate window just opened up this week. Am hoping that you can file your 470s for WAN & VoIP pretty quickly so we are not caught in a time crunch.*

Hope to hear back from you!

Thanks, Lisa

*Lisa G. Edwards
Inside Sales Manager
Trillion
www.trillion.net
512.334.4072 Direct
512.334.4099 Fax*

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- *Professionalism & Respect*
- *Customer Driven*
- *Having Fun!*

In review of this e-mail, the first thing to notice is that the Trillion sales person has not been responded to in some time. She says *"I'm hoping that you're just swamped right now and simply haven't had a chance to get back to me!"* and *"assuming you're still interested"*. Keep in mind that this communication occurred only a month before Bristol Borough filed their Form 470. This does not indicate the type of behavior an applicant would have with a potential service provider if that applicant were providing *"inside information regarding your needs and details about their procurement process"*.

Also, in regards to this e-mail communicating the E-Rate window opening, this is public information. A service provider has the right to share public information by definition.

In regards to the time crunch, service provider sales people are very cognizant of the number of applicants that file during the window, and the impact on internal resources just the pure volume of applications cause. It seems that most school district wait to post their Form 470 for later in the window, making that resource crunch even more difficult for a small vendor. The Trillion salesperson recognizes this and requests *"Am hoping that you can file your 470s for WAN & VoIP pretty quickly so we are not caught in a time crunch."* The "we" being Trillion.

- An email from Lisa Edwards reminding you of the January 15, 2009 deadline for filing the VoIP 470

In regards to this e-mail communicating the E-Rate window opening, the whole e-mail communication must be taken into account, not just an excerpt.

"Not a problem. Just don't forget the 1/15/09 deadline for filing your VoIP 470."

*Lisa G. Edwards
Inside Sales Manager
Trillion
www.trillion.net
512.334.4072 Direct
512.334.4099 Fax*

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*From: Paul Hetherington [mailto:phetherington@bbsd.org]
Sent: Monday, January 05, 2009 9:45 AM*

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*To: Lisa Edwards
Subject: Re: Trillion meeting this AM?*

Lisa,

Thanks for the fast turn around. Scheduled and will call in at 11AM.

*Paul Hetherington
IT Director
Bristol Borough School District
1776 Farragut Avenue
Bristol, PA 19007
phetherington@bbsd.org
215-932-7740*

----- Original Message -----

*From: "Lisa Edwards" <lisa.edwards@trillion.net>
To: "Paul Hetherington" <phetherington@bbsd.org>
Sent: Monday, January 5, 2009 10:43:35 AM GMT -05:00 US/Canada Eastern
Subject: RE: Trillion meeting this AM?*

Sorry to hear Paul that you were so sick. Hope things are better. I sent you a schedule request for tomorrow Tuesday 11AM (ET). Will that work for you?

*Lisa G. Edwards
Inside Sales Manager
Trillion
www.trillion.net
512.334.4072 Direct
512.334.4099 Fax*

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*From: Paul Hetherington [mailto:phetherington@bbsd.org]
Sent: Monday, January 05, 2009 9:14 AM
To: Lisa Edwards
Subject: Re: Trillion meeting this AM?*

Lisa,

Very sorry about missing meeting. 4AM Tuesday morning I became violently ill and was not able to leave my bed for three days.

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Please reschedule this meeting for earliest time this week as I need answers to complete my plan before sending out RFI for telephone lines.

*Paul Hetherington
IT Director
Bristol Borough School District
1776 Farragut Avenue
Bristol, PA 19007
phetherington@bbsd.org
215-932-7740*

----- Original Message -----

*From: "Lisa Edwards" <lisa.edwards@trillion.net>
To: "Paul Hetherington" <phetherington@bbsd.org>
Sent: Tuesday, December 30, 2008 10:12:30 AM GMT -05:00 US/Canada Eastern
Subject: Trillion meeting this AM?*

*Hey Paul,
Below is the schedule request I sent you for a meeting this morning. With the craziness of the Holidays,\ You may have missed this. can you meet this morning?*

*Paul,
We're set for Tues 12/30 @ 10:00 (ET). Discussion will address
using existing TIs as PSTN connections. Please use the conference
Bridge Dial in below:*

*Dial in: 1 888 334-4096
Part Code: 0120654*

Thanks, Lisa

*Lisa G. Edwards
Inside Sales Manager
Trillion
www.trillion.net
512.334.4072 Direct
512.334.4099 Fax*

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The E-Rate window is public information. A service provider has the right to share public information by definition. It is common for vendors to remind procrastinating school districts of USAC published dates.

Also, note that the Trillion sales person states *“Below is the schedule request I sent you for a meeting this morning. With the craziness of the Holidays, You may have missed this.”* This again does not show a very close relationship between the applicant and service provider.

- An email from you to Trillion stating that you need answers to complete your plan before sending out RFI for telephone lines

Per the e-mail string outlined just above, the whole message string must be taken into account. The meeting request was to discuss *“using existing T1s as PSTN connections”*. Trillion does not offer PSTN connections, therefore Trillion does not understand how the reviewer came to the conclusion that Trillion influenced *“the procurement process by providing input into your Request for Proposal (RFP) and FCC Form 470 to ensure that Trillion would be awarded the contract”*.

As a matter of fact, Bristol Borough filed the following Form 470's:

<u>Form 470 #</u>	<u>Eligible Service</u>
170820000721930	PRI Connections 3 pcs or more Telephone lines carried by above above PRI Connections with local & long distance 36 or more POTS Lines with local & long distance service 16 or more
803680000721839	Subscription Service Internet Connected Voice Over IP District Wide
190340000721830	Point to Point Lit Fiber Optic Connection 300Mb or 1Gb 2pcs or more
975170000721817	Wide Area Network Service T1 1.54Mb 3pcs or more
131130000721808	Local/Long Distance Service T1 4pcs or More Local/Long Distance Centrix Lines 50pcs or More

Trillion solely provided a proposal for Form 470# 803680000721839 and did not provide any proposals for the other Form 470s, including those regarding T1s or PSTN connections. Therefore, there would be no reason for Trillion to help the applicant develop an RFP for a service Trillion did not provide.

In regards to the Form 470 that Trillion did provide a proposal, the facts indicate that Trillion did not aid the applicant in developing their specific RFP. First, a look at Form 470# 803680000721839, the description of requested service is *“Subscription Service Internet Connected Voice Over IP District Wide”*. This is a general description of interconnected Voice over Internet Protocol as is defined in USAC's eligible service list. Therefore, the applicant used a similar naming convention as to what USAC has published.

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In regards to the applicant's RFP, please see the attached. The RFP provides a list of requirements that every major VoIP equipment manufacturer provides including Cisco, Avaya, ShoreTel, Mitel and others. Any VoIP service provider that has a SPIN and uses one of the major manufacturers could bid on this RFP. Trillion only utilizes ShoreTel equipment. There is not a single requirement in this RFP that provides Trillion any competitive advantage. If Trillion would have aided the school district in developing their RFP, Trillion most certainly would have had ShoreTel as a requirement. An applicant specifying a brand of hardware is allowable under E-Rate guidelines. But, to be clear, Trillion did not aid Bristol Borough School District in developing either their Form 470 or their RFP. Furthermore, Trillion would aid any district as it is inconsistent with the way we conduct business and our value system.

- An email from Trillion looking for an update on the proposal numbers and wanting to know how the numbers were received and if you have presented it to the Board as yet.

The e-mail Trillion believes the reviewer is pointing to is as follows:

"From: Lisa Edwards

Sent: Thursday, February 12, 2009 7:50 AM

To: 'Paul Hetherington'

Subject: FW: Question about 471

Paul,

Any idea on timing of contract signatures and subsequent 471 posting? You were either going to aim to do these tasks before the Board meeting today OR wait until the Board meeting to have everything finalized.

Let me know when you can!

Thanks!

Lisa G. Edwards

Inside Sales Manager

Trillion

www.trillion.net

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512.334.4099 Fax

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Trillion believes this e-mail speaks for itself. Contracts had been exchanged, and negotiation had taken place prior to Board approval. There is nothing in the FCC rules nor E-Rate guidelines that prohibit a service provider from asking timing of Board approval and filing of a Form 471. This is how people conduct business every day in the United States and this is no different for every E-Rate service provider in the country.

FCC rules require applicants to conduct a fair and open competitive bidding process free from conflicts of interest. *See Request for Review of the Decision of the Universal Service Administrator by Ysleta Independent School District, El Paso, Texas, et al, Federal-State Joint Board on Universal Service,*

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Changes to the Board of Directors of the National Exchange Carrier Association, Inc., SLD Nos. 321479, 317242, 317016, 311465, 317452, 315362, 309005, 317363, 314879, 305340, 315578, 318522, 315678, 306050, 331487, 320461, CC Docket Nos. 96-45, 97-21, Order, 19 FCC Rcd 6858, ¶ 60 (2003) (“Ysleta Order”); *See also Request for Review of Decisions of the Universal Service Administrator by MasterMind Internet Services, Inc., Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, 16 FCC Rcd 4028-4032-33, ¶ 10 (2000); *Request for Review of Decisions of the Universal Service Administrator by SEND Technologies LLC, Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, DA 07-1270 (2007); *Request for Review of Decisions of the Universal Service Administrator by Caldwell Parish School District, et al., Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, DA 08-449 (2008)(Caldwell Parish). Applicants cannot reveal to one prospective service provider information they do not provide to all. *See* Caldwell Parish, ¶ 16. Service providers are prohibited from filling out forms that require an applicant’s signature and the 470 must be complete by the entity that will negotiate with prospective service providers. *See* Caldwell Parish, ¶ 17.

Thank you for your cooperation and continued support of the Universal Service Program.

Sasha Lindsay
Program Integrity Assurance
USAC, Schools and Libraries Division
Phone: 973-581-5181
E-mail: slindsa@sl.universalservice.org

Sincerely,

Trillion Partners, Inc.

Attachments:

- Trillion Account Summary and Review June 8, 2009 – Bristol Borough School District
- Letter from Trillion to Scott Barash of USAC dated June 17, 2010
- Trillion “Preliminary Design & Good Faith Estimate” - August 2008
- Bristol Borough School District RFP having a due date of February 6, 2009

cc: Catriona Ayer, USAC
Irene Flannery, FCC

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Trillion Account Summary and Review

Customer Information

Name BRISTOL BORO SCHOOL DISTRICT
Address 420 BUCKLEY ST, BRISTOL, PA, 19007
Billed Entity # (BEN) 126085
Lead Sales Representative Lisa Edwards, David Dunmyer, David Jolly
Customer of: Gary No Roger Steve
(Direct Sales Communications) Gaessler Clague Davis No
Trillion/E-Rate Consultant
Communication None
Customer Status Not active. Awaiting FCDL.

Contract Information

ContractNumber	Award Date	End Date	470 Number	470 Date	FRN Number	471 Number
SA-080708-001158	02/12/09	06/30/14	803680000721839	01/09/09	1882930	687656

Extensions/Renewals/Upgrades

ContractNumber	Award Date	End Date	470 Number	470 Date	FRN Number	471 Number
None						

Expense Summary

Governing State Pennsylvania
Business Meals None
Gifts & Entertainment None

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Customer Communications

Communications Provided

Begin Date 3/5/2008 **End Date** 2/12/2009

The communications were normal in the course of a competitive bid. However, Trillion notes the following:

Customer Communications Summary

In an e-mail titled "Re: Trillion follow up" sent from Paul Hetherington of Bristol Borough School District to Lisa Edwards of Trillion dated 1.7.2009, a request to be pointed to other school district RFIs was requested. The response from Trillion on the same day does not answer the question, but says that she will check into it to ensure compliance with E-Rate rules. No RFI's were ever provided.

E-mails from the date of October 20, 2008 and earlier all relate to the possibility of a non-E-Rate purchase for WAN and Voice. As is shown by the e-mail titled "RE: Trillion remaining VoIP #" dated 5/15/2008 from Lisa Edwards to Paul Hetherington, the discussion is around the purchase non E-Rate eligible voice solution (Reference e-mail titled "FW: Trillion remaining VoIP #" dated May 19, 2008). Not until November did the discussion shift to an E-Rate service option.

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June 17, 2010

Mr. Scott Barash
Chief Executive Officer
Universal Service Administrative Company
2000 L Street, N.W., Suite 200
Washington, D.C. 20036

Dear Scott,

Thank you very much for the time you and your staff spent with us on the phone last Wednesday. Also, thank you as well for the resources you have allocated to complete the processing of the E-Rate applications for Trillion's customers. Although it appears progress has been made, as we discussed on the phone, USAC appears to have misapplied its own rules and misconstrued or ignored relevant factual information in connection with a large number of these applications. Trillion is on the verge of insolvency and time is of the essence, and therefore we are asking you to reconsider these applications.

Of the 50 applications that USAC reviewed on or prior to June 7, 2010, a full two-thirds (33 applicants) received a letter either indicating an intent to deny or seeking clarifications and that in some form threatened denial. This represents an extraordinarily high ratio of applicants who supposedly did not follow the rules, and is starkly inconsistent with Trillion's historical application approval rate and the results of USAC's comprehensive review of Trillion's customers in 2006.

There appear to be several common themes underlying USAC's preliminary determinations to deny these E-Rate applications. The first theme concerns allowable gifts, gratuities and meals that can be provided to an applicant by a service provider. We discussed this issue in our phone call, where you indicated that a school district must follow state and local procurement rules to be compliant, and acknowledged that the proposed rule put forth in the NOPR dated May 20, 2010 applying a more stringent set of rules around gifts, gratuities and meals has not yet been adopted. Therefore, we believe that all of the letters sent by USAC threatening denial for meals, gifts and gratuities that were within state and local guidelines should be rescinded and the subject applications approved. To do otherwise would have the effect of contradicting USAC's published guidance and retroactively applying a not-yet-adopted new standard in a discriminatory fashion to conduct that was fully compliant at the time. Please refer to our letter of June 8, 2010 for further detail on this issue.

This letter is intended to address the other common themes underlying USAC's prospective denials that we did not have an opportunity to discuss on the phone, which relate to:


- 1) Allowable Form 470-related communications allowable by a vendor

- 2) Allowable communications prior to a Form 470 being posted
- 3) Allowable communications by an incumbent vendor

As demonstrated below, it appears that USAC has not followed its own guidance, has misapplied rules and/or has misinterpreted facts related to these types of communications in connection with these applications.

1) Allowable Form 470-related communications

The following excerpts from USAC training materials published between 2007 and 2010 set out clear rules governing Form 470-related communications between an applicant and a vendor:




Competitive Bidding

- Tips
 - If applicants ask you for assistance:
 - Refer them to existing sources
 - Review all requirements set out by the applicant and follow them
 - Keep records of bids submitted
 - Keep copies of contracts

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www.usac.org

Source: USAC - Overview from the Service Provider Perspective - John Noran - Service Provider Training Schools and Libraries Division - April 18, 2007 – Atlanta • April 25, 2007 – Chicago



Training for Applicants

- You can provide training to applicants on E-rate if your training does not give an unfair advantage
 - Your training can include neutral information, including references to USAC, state, and public websites and training materials
 - Ask yourself if the content of the same training provided by a competitor would concern you

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Source: USAC - What To Do and How To Do It - Mel Blackwell and John Noran - Service Provider Training Schools and Libraries Division - May 8, 2008 – Miami • May 14, 2008 – Salt Lake City

Pre-bidding Discussions

- Service providers may:
 - Discuss their product offering with applicants
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 - Offer/provide assistance with Tech Plan
 - Offer/provide assistance with RFP

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Source: USAC - Program Compliance for Service Providers - Catriona Ayer - Schools and Libraries Division - May 4, 2010
– Los Angeles • May 11, 2010 – Tampa

Competitive Bidding

- What is a service provider's role in the competitive bidding process?
 - Review posted Forms 470 and/or download Form 470 summary information
 - Respond to Forms 470/RFPs
 - Review applicant requirements and local and state procurement rules, including reasons for possible bid disqualification

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Source: USAC- Beginners Session for Service Providers - John Noran - Service Provider Training
Schools and Libraries Division - May 4, 2010 – Los Angeles • May 11, 2010 – Tampa



Requirements - Competitive Bidding

- The applicant must conduct a fair and open competitive bidding process
 - All bidders are treated the same
 - All bidders have equal access to information
 - All bidders know what is required of them
 - All bidders know any reasons for disqualification

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Source: USAC - Application Process - Schools and Libraries Division - Washington, DC • Seattle • Denver • Chicago • Newark • Los Angeles • Atlanta September/October 2008

To summarize this guidance, a service provider may not assist an applicant in the completion of a Form 470 or offer or provide vendor-specific language for a Form 470. A service provider may offer E-Rate education if the training is neutral in nature and does not provide an unfair advantage to the service provider. If asked for assistance by the applicant in completing a Form 470, the vendor should refer the applicant to existing resources. Once the Form 470 is filed, vendors are allowed to review the form, evaluate its requirements and ask clarifying questions so long as the answers provided by the applicant are available to all potential bidders.

As described in detail in our prior letters to Mel Blackwell of USAC dated April 17, 2009 and June 8, 2009, Trillion employees have been trained extensively regarding these requirements. Trillion has a long-standing policy requiring its employees to direct all E-Rate questions from an applicant to the company's internal E-Rate attorney or E-Rate specialist, who in turn have procedures in place to direct applicants directly to the USAC website for assistance.

Despite its published guidance, it appears that USAC has taken the position that virtually any communication between a vendor and applicant regarding a Form 470 is a basis for denial. An example of this is the letter received from USAC by St. Louis County Library dated June 2, 2010, which alleges that Trillion provided improper assistance to the applicant.

St. Louis County Library posted its Form 470 on August 29, 2008. The first communication between Trillion and the applicant, which occurred after the posting on or about September 8, 2008, is as follows:

"Dear Mr. Fejedelem ,
>

> I am contacting you to request a copy of the RFP referenced on the 470
> Application # 738980000679314 recently filed by St Louis County Library.
>
> Can you please forward me a copy of the RFP?
>
> Trillion is the leading provider of Broadband WAN and Voice over IP services for K-12 education.
>
> In addition to WAN services, Trillion offers a VoIP service that is Priority 1 E-Rate eligible and is enabling K-12's to enhance safety and communication in their schools with no install costs, money down, equipment purchases or maintenance fees.
>
> After reviewing the RFP, I would appreciate the opportunity to speak with you for a few minutes by phone to better understand the Broadband and IP Telephony needs for the your school district.
>
> Thank you very much,
>
> ** Jeanne Massey **
>
> * Trillion Partners, Inc. *
>

In support of its preliminary determination, USAC cites the following e-mail exchange:

"9/24/2008 1:45PM

Jake,

Just a couple of questions...

- 1) You have a total of 325 phones. Does the distribution matter, or do you want them to spread evenly across the 20 sites? Same question for the 25 extra voice mail boxes.
- 2) Are you going to want/need to keep all of the other ports (fax lines, data, TDD, etc) that are listed in the RFP?
- 3) Any idea what types of phones and in what quantities you will want at each site (basic users, mid-level admins, high-end execs)?

I think this is all I need. Thanks.

John

9/24/2008 3:07PM

Jake,

One other thing that we just discovered... you did not check the box seeking a multi-year contract (7b) on your 470. Was that intentional or an oversight?

John Masterson

9/25/2008 9:17AM

John,

Multi-year contract was an oversight. We would be seeking a multi-year deal.

Enclosed is the telephone breakdown list (the number of jacks we have at each location).

Most sites will have basic user phones (cordless if possible). For high level execs, call forwarding to cell device is of far more importance than the type of desk phone.

-Jake

10/2/2008 3:04PM

Jake,

Would you please call me at your earliest convenience 913-269-7174. I want to make sure we're on the same page regarding your new 470. Thanks!

John"

As USAC indicates, the only difference (other than the due date) between the original Form 470 and the new Form 470 posted on October 13, 2008 was that the multi-year box was checked.

The salient facts related to this application, as demonstrated by the communications set forth above, are as follows:

- Trillion was not in contact with this prospect prior to the posting of its original Form 470
- Trillion asked for the RFP via e-mail after the original Form 470 was posted.
- Trillion asked clarifying questions in order to better understand the service requirements (such as phone count by site) and asked whether the applicant was actually seeking a one-year term
- The applicant discovered its mistake and corrected the error by filing a new Form 470
- The RFP requirements and services requested were unchanged in the new Form 470
- Trillion had no agreement or understanding with the applicant of any kind

With this set of facts, Trillion is unsure as to how the USAC reviewer came to the following conclusion:

"These e-mail exchanges suggest that it was pre-determined that St. Louis County Library would enter into a new contract with Trillion prior to the Form 470 being posted and prior to the 28 day competitive bidding

window. It also suggests that Trillion was intimately involved in developing the specifications the library would seek on its Form 470 and perhaps was involved in the drafting of the language to be used in the Form 470.”

There is simply no basis for a conclusion that a contract was predetermined as a result of Trillion’s routine communications. Trillion could not have been involved in the development of the project specifications because those specifications were in the RFP which Trillion received only after the original Form 470 was posted and those specifications did not change from original to final Form 470 posting. It is obvious that Trillion’s clarifying questions led the applicant to discover an error in its original Form 470 that was subsequently corrected. These communications speak for themselves and do not support any reasonable interpretation to the contrary.


The St. Louis County letter is just an example of the flawed logic employed in a number of “intent to deny” letters based on Form 470-related communications with Trillion customers where:

- The reviewer incorrectly interpreted the proper chronology
- The decision is inconsistent with USAC rules and guidance
- The “facts” relied upon by USAC are incorrect
- The wording in the filed Form 470 uses language directly from USAC’s Eligible Services List
- The services requested are clearly open to many bidders

We urge USAC to revisit these applications with a view to applying a consistent and understandable standard that is consistent with its published guidance.

2) Allowable communications prior to Form 470 posting

With regard to marketing, product demonstrations and similar communications with a prospective applicant prior to the posting of a Form 470, USAC has offered the following guidance:




DO's

- Provide information to applicants about products or services – including demonstrations – before the applicant posts the Form 470
 - You can provide information on your available products and services before applicants file a Form 470
 - Once the Form 470 has been filed, you are limited to the role of bidder

4

www.usac.org

Source: USAC - Service Provider DO's and DON'Ts - Mel Blackwell and John Noran - Service Provider Training Schools and Libraries Division - April 18, 2007 – Atlanta • April 25, 2007 – Chicago




Training for Applicants

- You can provide information to applicants about products or services – including demonstrations – before the applicant posts the Form 470
- Once the Form 470 has been filed, you are limited to the role of bidder

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www.usac.org

Source: USAC - What To Do and How To Do It - Mel Blackwell and John Noran - Service Provider Training Schools and Libraries Division - May 8, 2008 – Miami • May 14, 2008 – Salt Lake City



Pre-bidding Discussions

- Applicants may:
 - Discuss their product offering with SPs
 - Learn about new technologies from SPs
- Applicants may **NOT** accept/use the following from service providers:
 - Vendor-specific language for RFP or the 470
 - Template RFPs or Forms 470
 - Assistance with tech plan
 - Assistance with RFP

4 www.usac.org

Source: USAC - Program Compliance - Helping You Succeed Schools and Libraries Division - Washington, DC • Newark • Atlanta • Chicago • Orlando • Los Angeles • Portland • Houston - September/October 2009



Pre-bidding Discussions

- Service providers may:
 - Discuss their product offering with applicants
 - Educate applicants about new technologies
- Service providers may **NOT**:
 - Offer/provide vendor-specific language for RFP or the Form 470
 - Provide template RFPs or Forms 470
 - Offer/provide assistance with Tech Plan
 - Offer/provide assistance with RFP

4 www.usac.org

Source: USAC - Program Compliance for Service Providers - Catriona Ayer - Schools and Libraries Division - May 4, 2010
– Los Angeles • May 11, 2010 – Tampa

To summarize this guidance, prior to the posting of a Form 470, a vendor is allowed to provide general information regarding the vendor's products and services, discuss and answer questions regarding its product offering¹, and provide product demonstrations², including an illustration or visual representation

¹ American Marketing Association definition: A bundle of attributes (features, functions, benefits, and uses) capable of exchange or use; usually a mix of tangible and intangible forms. The terms and conditions (price, quantity, delivery date, shipping costs, guarantee, etc.) under which a product or service is presented to potential customers

Blue Mine Group definition: Product Offering has 5 key elements which include the product definition, customer experience, product pricing, collaboration, and differentiation.
http://www.blueminegroup.com/articles/1_winning_product_offering_020810.php

² American Marketing Association definition: An aspect of the sales presentation that provides a sensory appeal to show how the product works and what benefits it offers to the customer

of how a prospective applicant's network might be configured as well as generic pricing and other indicative terms.

In many instances, however, USAC has used permissible pre-Form 470 communications as the basis for potential denial of applications filed by Trillion's customers. An illustrative example is the letter to Nogales Unified School District 1 dated June 9, 2010. This letter states:

"Correspondence provided by you shows that there were several discussions beginning January 2006 which predate the filing of the Fund Year 2008 Form 470 used to establish a new contract with Trillion. The Form 470 used to establish this contract with Trillion was posted October 26, 2007. The correspondence that predates that Form 470 shows that discussions took place between Trillion, yourself, and other members of your entity or state entity. These discussions included, among other things, the following:

- Meetings occurred discussing possible WAN options Trillion can offer- January and February 2006*
- Trillion providing a design and preliminary price estimate- February 2006 and April 2007*
- Discussions to follow-up on the preliminary estimate provided by Trillion –June 28, 2007*
- Meetings with Trillion Sales representatives- August 2007*
- Meetings to discuss funding - September 2007*

A copy of these email exchanges are attached for your review. These email exchanges suggest it was pre-determined NOGALES UNIFIED SCHOOL DIST 1 would enter into a new contract with Trillion prior to the Form 470 being posted and prior to the 28 competitive bidding window. It also suggests Trillion was intimately involved in developing the specifications you would seek on your Form 470."

The reviewer fails to mention that, on January 12, 2006, Nogales School district posted a Form 470 (# 884590000574746) for the services that Trillion offers. The reviewer also fails to mention that Trillion's first contact with Nogales was after the Form 470 was posted. Therefore, Trillion had every right to act as a bidder, provide a proposal and clarify its proposal as the e-mail record suggests. It should be noted that Trillion did not win this bid.

During the one-year period from June of 2006 until the end of June 2007, Trillion met with the school district a total of five times, none of which occurred during a bid cycle. Trillion provided product offering information to a prospective customer

as well as a preliminary design and price estimate. Keep in mind that Trillion participated in a previous bid cycle that Trillion did not win and had information from this bid cycle on which to base its estimate. USAC guidance establishes that Trillion has the right to discuss its product offering with a prospective applicant, and the chronology identified by USAC merely confirms that these permissible discussions occurred.

It is standard industry practice to provide product quotations to potential customers. In the normal course of business, school districts across the country ask for budgetary information and service providers routinely respond to these requests. Sometimes a price quotation is in the form of a tariff and other times in the form of a budgetary estimate, all of which are well within the definition of “product offering information.”

There is no data whatsoever indicating that a contract was “pre-determined” for Trillion. Keep in mind that the applicant’s Form 470 requested *“Digital Transmission Services - Wireless or Fiber Optic based: Leased Wireless or Fiber Optic Based WAN for eleven campuses including District Office Hub”*. At the time of this bid cycle, Trillion only offered Wireless WAN and did not offer Fiber WAN services. If the outcome was pre-determined for Trillion, presumably the applicant would have requested wireless WAN services only. To the contrary, publicly available data shows that there were multiple bidders for this project that included both wireless and fiber providers.

The summary of the facts are as follows:

- Trillions first communication occurs after the applicant files a Form 470, and Trillion is not selected on that bid
- Trillion met with the school district several times over an almost two year period to discuss its product offering, all of which is allowable under USAC rules
- There are no USAC rules which limit the number of times a service provider can meet with an applicant.
- No communication whatsoever over that two-year period indicates a contract is pre-determined
- Trillion does present a pre-design and budgetary estimate, which is allowable under USAC rules
- There is no communication at all between the parties regarding any Form 470 posting
- The Form 470 posting is fair and open and is inclusive of competitive services that Trillion could not provide

With this set of facts, we cannot see how the reviewer could have possibly come to the conclusion that a decision was pre-determined and that Trillion provided impermissible guidance on the applicant’s Form 470. It is clear that, in this case and in other similar cases, USAC has drawn the incorrect and unwarranted

conclusion that routine contact with a potential applicant is a basis for denial in direct contravention of its own guidance.

3) Allowable communications by an incumbent vendor

Although this theme is very similar to the prior theme and is governed by the same set of rules, there is a fundamental difference in the relationship between an applicant and an incumbent provider in that the incumbent provider will necessarily have numerous communications with the applicant regarding the existing services provided and is the logical provider of choice when the applicant seek service additions or upgrades. As a practical matter, a new vendor will often be precluded from providing service additions upgrades due to technical problems and other inefficiencies associated with having multiple service providers on the same project. This problem arises in many scenarios, including MPLS WAN networks, large-scale layer 3 WAN networks, and interconnection VOIP expansion.

In the case of an MPLS network, if an applicant wanted to add a site or increase bandwidth to only a portion of the network, only the incumbent can offer this solution. The primary reasons are the technical limitations of an MPLS network. In an MPLS WAN, if any changes are going to occur to that network, no other alternative service provider's network will actually work with the incumbent's network. Therefore, without a wholesale change to the entire network, bandwidth upgrades to individual sites, as well as site additions to the network, can only be done by the incumbent MPLS provider. Significant issues with an alternative provider would come into play, such as the requirement for duplicative equipment and software, loss of network security and quality of service, the need to hand off traffic between providers and the requirement for "out of band" internet monitoring.

Similar issues arise with large-scale layer 3 WAN networks. If there is a network covering a large area serving multiple locations with network-wide routing, there is really no technical difference between this type of network and an MPLS network. Therefore, if an applicant were seeking bandwidth upgrades to a portion of the network, or if new sites were to be added, the only viable provider is the incumbent. For interconnected VoIP expansion, there are similar technical issues. Where an incumbent is providing phone service to the administrative offices, if an applicant seeks to add phone connections to the classrooms, it is technically impossible for another service provider to solve this integration, since having multiple providers would require management of two completely disparate systems with duplicative reporting and a loss of control between the systems. Therefore, if an applicant files a Form 470 for additional connections to have phones in every classroom, the bid is technically limited to the incumbent unless there is a wholesale change of the entire phone system.

In any of the three scenarios, due to the technical limitations and impracticalities,

the applicant must rely on the incumbent provider. Keep in mind that the incumbent provider by definition has critical knowledge that alternative providers do not. An incumbent can see the applicant's network statistics, how much bandwidth is being utilized, where the bottlenecks are, and what can be done to improve performance. If an incumbent service provider realizes that a portion of a network is running to capacity, there is every reason to inform the applicant of this fact. No guidance is provided by USAC in this case, but it would seem to be in the best interest of the applicant for the service provider to provide this useful information.

USAC fails to recognize the practical realities of the incumbent provider scenario. An illustrative example is a letter from USAC received by Northeast Texas Regional Education Telecommunications Network (NTRETN) dated June 4, 2010. In this letter, USAC indicates its intent to deny the application because NTRETN engaged in numerous discussions with Trillion employees beginning in 2004 through the award of multiple contracts. USAC claims that these discussions were not general marketing discussions, and further claims that Trillion was provided inside information with regard to the applicant's needs.

In order to put USAC's claims in context, it is important to provide some background regarding NTRETN and the services Trillion provides to it. NTRETN is a consortium of school districts located in Texas' Region 8 Education Service Center (ESC). The Region 8 ESC is one of 20 education service centers in Texas. The vision of Region 8 is "to develop a district-wide systemic culture to sustain a high-performing learning community." To achieve this vision, Region 8 delivers a variety of services, including distance learning, to each school district it serves. To provide these services, the NTRETN consortium was established to deliver a sustainable wide area network (WAN) in rural Northeast Texas to serve the schools in the Region 8 ESC area. NTRETN consists of 51 school districts in northeast Texas, including 150 campuses, with over 150,000 students. The majority of its member school districts are located in rural communities. NTRETN has an elected board of directors consisting of 12 school district superintendents and the Region 8 ESC Executive Director.

Trillion provides a customized network for NTRETN that links together school districts across a large, rural portion of Texas. The project to build the NTRETN was massive in scope because the network was required to cover over 9,000 square miles of geographic terrain. Trillion's network for NTRETN services 88 locations, 652 route miles (covering 9,000 square miles), and has three connections, or points of presence (POPs), out to the Internet.

To date, the implementation of this network has involved an investment of \$5,865,597 in capital expenditures. It has required heavy construction in school yards, coordination of utility services, adherence to strict safety guidelines, management of network addressing and protocols and much more. In fact, the project was so large and complex that it had to be built in two technically distinct

phases over the course of 19 months. Given the project's scope, it required a tremendous amount of interaction and coordination among Trillion's employees and the NTRETN team.

USAC does not take into account that a project of this magnitude requires constant communication between the parties in order to be successful, which type of communication is in accordance with USAC guidelines. USAC also does not take into account the fact that it is nearly impossible from a technical standpoint for another service provider to provide bandwidth upgrades to a portion of this comprehensively routed and managed IP network without a complete replacement of the entire network.

In regards to the communication record, in the original build of NTRETN's network, not all of the NTRETN member school districts were connected to the network. The neighboring consortium, Region 10, also had not provided adequate Internet and WAN services to its member school districts. As a result, NTRETN had received inquiries from neighboring school districts regarding the technical feasibility of adding schools to the then-existing network. There is also mention in the e-mails of the need for additional bandwidth and NTRETN's interest in an assessment of the technical feasibility of adding a 3rd POP in Texarkana. NTRETN wanted to understand whether Trillion could expand the existing network to accommodate the additional school districts, including Region 10 schools, and whether this additional usage would negatively impact the existing network.

These inquiries are analogous to inquiries that a school district might make of its incumbent communications provider to assess whether a T-1 could be provided to connect to an additional site that is not served, whether additional capacity could be added to an existing MPLS circuit, or whether an additional T-1 of Internet capacity could be added to a currently-served site. Discussing the technical feasibility and impact of adding a T-1 to a site does not run afoul of a fair and open bidding process, and nor does discussing the feasibility and impact of adding an additional site to an existing network. These type of questions are commonplace in the industry and are part of a normal dialogue between an applicant and its existing service provider. To require otherwise would be highly inefficient and counter-productive.

The relevant facts with respect to NTRETN are as follows:

- The NTRETN network is massive, covering 9,000 square miles
- The school districts served are generally very rural
- Over \$5,000,000 in capital has been invested in the network
- An applicant is allowed to ask the technical feasibility of network upgrades
- The communication record shows normal discussions between an applicant and an incumbent who provides such a complex network
- There are technical limitations on the ability of another service provider to

connect to a single site or upgrade only segments of the network without complete replacement of the entire network

With this set of facts, we do not see how the reviewer can come to the conclusion that anything but normal course discussions took place between an applicant and their incumbent service provider. Denial is particularly unwarranted in cases of this type since the result would be to force the applicant to make an economically inefficient choice of an alternate provider or to forego the requested services entirely.

Summary

Trillion understands that setting a deadline can force hasty, premature decisions. The preliminary determinations of USAC to deny Trillion's customer applications cannot withstand even casual scrutiny as they contravene USAC's own guidance and are based on numerous factual errors. These determinations are clearly motivated by a desire to "move the pile" rather than an effort to get at the real facts and to fulfill the purposes of the E-Rate program.

Unfortunately, we are now out of time. While these errors can conceivably be remedied on appeal, our company will likely not be alive to see the end of that process. The sad part is that the ones really being hurt in this process are the students of the rural and underserved areas of this country that Trillion serves. Don't let these kids be without the technology that keeps them on the same playing field as the urban kids. We urge you to direct your staff to withdraw these ill-considered "intent to deny" letters and to make thoughtful determinations on the merits of these cases.

Sincerely,

Trillion Partners, Inc.



Bristol Borough School District Preliminary Design & Good Faith Estimate

August 2008

Trillion

Lisa Edwards

lisa.edwards@trillion.net





Preliminary Design & Good Faith Estimate

It is our understanding that your district is not seeking a formal proposal and that you are requesting this information purely as a tool to assist you with your budget planning efforts. We expect that your district is seeking similar information from other service providers as well. Since this is only a preliminary design and estimated pricing, the enclosed documentation is not a binding offer, is not a detailed, formal proposal, and is not a response to any request for proposals. It is our policy to wait to provide our formal, detailed proposal to governmental entities such as school districts until the appropriate time in the competitive bidding process.

We would be happy to provide you with a formal Trillion proposal and Services Agreement once your district has commenced its competitive bidding process.

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VoIP - 3 Sites

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Preliminary, Non-binding, Good Faith Estimate Voice Support for 3 Sites

Bristol Borough	IP115	IP560	Power Adaptors
Administration Office	4	11	15
Elementary School (existing ES)	82	19	101
High School	57	16	73
Total	143	46	189



Preliminary, Non-binding, Good Faith Estimate

3 Sites - 248 Voice Connections

Description	Quantity	SKU #	Unit Price		Net Price
ShorePhone Telephones:					
ShorePhone IP 115 (requires v7.5 software)	143	10217	\$ 159.00		\$ 22,737.00
ShorePhone IP560	46	10156	\$ 349.00		\$ 16,054.00
ShorePhone Gig Power Adaptor 10/100/1000	189	10269	\$ 35.00		\$ 6,615.00
System Subtotal					\$ 45,406.00
Total					\$ 45,406.00
Total Purchase					\$ 45,406.00
Sales Tax 0.00%					\$ -
Grand Total					\$ 45,406.00
Handset deployment Option	1	N/A	\$ 2,126.25		\$ 2,126.25
Handset Maintenance Option	5 year	N/A	\$ 16,486.18		\$ 16,486.18
Total Installation, Training, and Maintenance					\$ 18,612.43

* This sales quote does not reflect shipping charges or sales tax which will be applied to your final invoice. Shipping charges are based on shipping method, size of order, and geographic location. Sales tax will be included, where applicable, unless the customer provides a valid exemption certificate.



Preliminary, Non-binding, Good Faith Estimate

3 Sites - 248 Voice Connections

Bristol Borough	Analog Phone Service	IP Phone Service	SIP Device	Conference Ports	LEC Analog Trunk Service*	T1 / PRI Access	911 Circuit Access (required)	SIP Trunk	Extension and Voicemail	Voicemail Only	Extension Only
Administration Office	0	15	0	0	13	0	1	0	15	1	1
Elementary School (existing ES)	0	101	0	0	19	0	1	0	101	1	0
High School	0	73	0	0	17	0	1	0	73	1	0
Subtotal	0	189	0	0	49	0	3	0	189	3	1
							# of End User Connections				196
							# of Conference Connections (non Conference Bridge P				0
							# of Analog Trunk Connections				52
							# of T1/PRI Trunk Connections				0
Total Voice Connections:											248

*Includes support for fax lines and additional lines requested by the customer



Preliminary, Non-binding, Good Faith Estimate

3 Sites - 248 Voice Connections

Service Summary

Service:	Trillion VoIP Services
Number of Sites:	3
Contract Term in Years:	5
Estimated E-Rate Discount:	80%
Total Voice Connections:	248



Preliminary, Non-binding, Good Faith Estimate

3 Sites - 248 Voice Connections

	Before E-Rate		After E-Rate	
	Month	Annual	Month	Annual
Installation Charge Per Site	\$0.00		\$0.00	
Total Service Charge - All Sites	\$4,960.00	\$59,520.00	\$992.00	\$11,904.00
Total Service Charge per Connection	\$20.00	\$240.00	\$4.00	\$48.00
Total Service Charge per Site	\$1,653.33	\$19,840.00	\$331.00	\$3,968.00
Customer Payments to Trillion *	\$4,960.00	\$59,520.00		

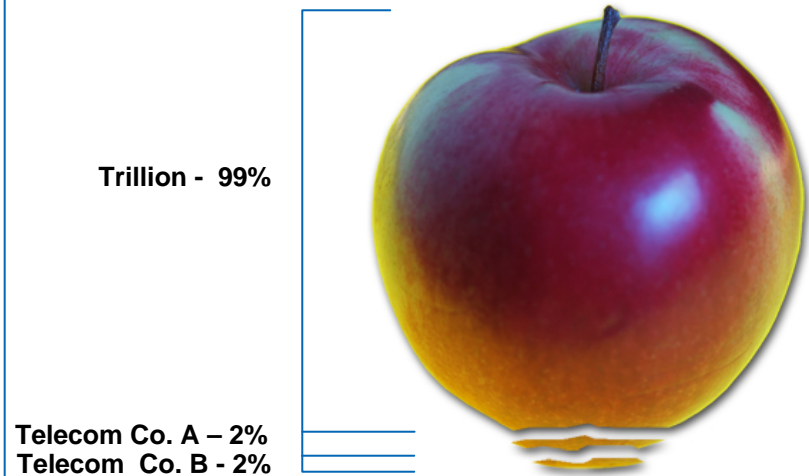
* Does not include taxes or governmental fees, including but not limited to USF fees, sales taxes, etc., that Customer is also required to pay as listed on the invoice.



Why Choose Trillion?

- ▲ Superior Solution Offerings
 - WAN
 - VoIP
 - Internet
- ▲ Lower Total Cost of Ownership
- ▲ Consistent Pricing Throughout Contract
- ▲ Quality of Service with Money-back Service Level Agreements
- ▲ Professional Expertise with Proven E-Rate Experience
- ▲ Service Excellence Delivered

Percentage of Business Focused on K-12 Schools



Focused on the Success of our Education Partners Because Education is our Business

RFP: VOIP PHONE SYSTEM as a SERVICE

BID DEADLINE: Friday, February 6, 2009 at NOON (PST)

- We are seeking a VOIP telephone system as an erate billable service
- We are seeking a single system, for two schools and one administration building that will be connected via fiber-optic WAN. The locations include Snyder-Girotti Elementary School, Bristol High School and Bristol Borough School District Administration Building.

The core of the Telephone System should consist of:

- a system at Bristol High School that will handle at least 100 ports, easily expandable in future, and 1 PRI carrying 15 telephone
 - a system at Snyder-Girotti Elementary School that will handle at least 120 ports, easily expandable in future, and 1 PRI carrying 15 telephone lines
 - a system at Bristol Borough School District Administration Building that will handle at least 20 ports, easily expandable in future, and 1 PRI carrying 10 telephone lines
 - a way to handle emergency calls
 - a voicemail unit per building
 - the VoIP system and the voicemail unit should have a GUI interface
 - training for operator use and administrator use
 - the ability to make 911 calls from any location in the network and for that call to be identified appropriately consistent with current Pennsylvania laws
 - ability to integrate computers with the phone system including, but not limited to, the ability to power-dial a number from the PC screen
-

OPTIONAL COMPONENTS

The following items are NOT a part of the eRate bid. They MAY be purchased separately by the District. We want your prices on these items, but these prices ARE NOT to be included with the main bid. Instead they are to be seen as optional components that may be purchased on a separate bid.

TELEPHONE SETS

- 135 – Wall VoIP phone sets for classroom use (Must use Power over Ethernet)
- 48 – Desktop Executive VoIP phone sets with display for Administration use (Must use Power over Ethernet)

An INTEGRATED VOICE-MAIL UNIT

- Voice-mail unit should be integrated with the VoIP system
- Preferably it should be from same manufacturer as the VoIP system
- All phones must have a visual indication that a message is waiting.
- All phones should be able to retrieve a message from a keyset by pressing a message key
- Users should be able to leave and retrieve messages by dialing an extension number after having reached the automated attendant.
- The voice-mail unit

NOTE 1 - Please provide pricing in the form of monthly rates for services provided. Bids will include costs of installation, maintenance for five (5) years of service, quoted separately. The Bristol Borough School District reserve the right to reject any and all features of any and all bids, if it should prove too cumbersome or too costly for our foreseeable needs.

DETERMINING FACTORS FOR AWARDING THIS CONTRACT

- The technical evaluation of the proposal, including feasibility.
- The details of the exact feature set proposed.
- Cost (both initial and sustained, for annual services as well as for one-time district costs up-front)
- Demonstrated reliability of the proposed system
- The vendor's ability to deliver these services in a timely manner.
- The reputation of firm in both performance and service
- Vendor must certify in writing that they are not listed on the Federal Excluded Parties Listing Systems (EPLA) and excluded from working with government contracts or subcontracts.
- The commitment of the vendor to work through the FCC eRate program
- Other Services Provided

Please note that Bristol Borough School District will select the vendor based upon the best overall solution and value, and is not obligated to select the lowest price bidder.

Equally important is a vendor evaluation based upon vendor reputation, service and support resources, knowledge of USF policies and procedures, knowledge of State policies and procedures, etc.

BIDDER QUALIFICATIONS

The proposer must be an established Distributor in business for at least five years, and shall provide a labor and parts warranty on all hardware and software for a period of at least one year from date of signed customer acceptance of the equipment.

PROCESS FOR RFP SUBMISSION

The following procedure should be followed for responding to this RFP:

- Price quote(s) for any recommended configuration.
- All Non-Erate Components priced separately.
- Provide complete listing of all services included in price quoted.
- Provide complete technical specification of all systems used to provide services quoted.
- Evidence that the product line meets the determining factors for awarding of the contract must be submitted with quotes.
- Prices must be guaranteed up to **300 days** from the date of contract award. The Bristol Borough School District reserves the right to order the equipment anytime during that time period in their efforts to maximize the availability of Universal Service Funds.
- All service contracts are to begin once the installation is **completed**.
- All bills are to be paid when services are satisfactorily **completed**.

IMPORTANT NOTE I - The purchase of this item is dependent upon the Bristol Borough School District receiving approval through the Federal eRate program. No purchase will be approved before such approval is received and no purchase will be made without such approval.

IMPORTANT NOTE II - The Bristol Borough School District reserves the right to reject aspects of any and all bids, if it should prove too cumbersome or too costly for our needs.

IMPORTANT NOTE III - Please break down your bid into components. Price each component separately. We may not obtain funding for all options on the system.

IMPORTANT NOTE IV - The Bristol Borough School District reserves the right to modify the components of the bid based upon feedback and advice from the vendor and from outside consultants. Features that prove too expensive will be dropped from the bid.

BID DEADLINE: Friday, February 6, 2009 at NOON (PST)
WE ANTICIPATE AN PROVISIONAL AWARD SHORTLY THEREAFTER

All bids and ancillary materials should be either :

- emailed to:
Paul Hetherington / IT Director
phetherington@bbsd.org
- FAXED to Paul Hetherington / IT Director
Bristol Borough School District
at fax number: (215) 781-1012
- or sent by mail/courier to:
Paul Hetherington / IT Director
Bristol Borough School District
1776 Farragut Avenue
Bristol, PA 19007

For further information regarding this bid, please contact
Paul Hetherington / IT Director of the Bristol Borough School District
phetherington@bbsd.org